

November 14, 2012

**ITEM NO. F2**

**AUTHORIZATION TO ENTER INTO A ONE (1) YEAR EXTENSION OF THE AGREEMENT  
WITH IBM FOR FILENET MAINTENANCE AND SUPPORT SERVICES**

To the Honorable Board of Commissioners:

**RECOMMENDATION**

It is recommended that the Board of Commissioners ("Board") authorizes the Chief Executive Officer or his designee to enter into a one (1) year extension of the current agreement with IBM for FileNet maintenance and support services for a twelve (12) month period in an amount not-to-exceed \$117,551.94 for the term commencing January 2013 through December 2013.

The Executive Vice President (EVP) of Finance, the Office of the General Counsel and the Office of Procurement have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

**FUNDING:** Operating Fund

**SOLICITATION SUMMARY**

**Vendor:**

IBM  
PO Box 643600  
Pittsburgh, PA 15264-3600

<b>Contract Type:</b>	Fixed Rate/Schedule (Maintenance & Support Renewal)
<b>Contract No.</b>	172947
<b>Original Contract Amount:</b>	\$ 77,881.00
<b>Second Year Contract Amount:</b>	\$ 91,369.30
<b>Third &amp; Fourth Year Contract Amount:</b>	\$198,995.00
<b>Fifth Year Contract Amount:</b>	\$ 98,877.00
<b>Sixth Year Contract Amount:</b>	\$128,703.26
<b>Seventh Year Contract Amount:</b>	\$117,551.94
<b>Total Contract Amount:</b>	\$713,377.50

<b>Original Contract Period:</b>	March 1, 2007 through February 28, 2008 (12 months)
<b>Second Contract Period:</b>	March 1, 2008 through February 28, 2009 (12 months)
<b>Third &amp; Fourth Contract Period:</b>	March 1, 2009 through February 28, 2011 (24 months)
<b>Fifth Contract Period:</b>	March 1, 2011 through December 31, 2011 (10 months)
<b>Six Contract Period:</b>	January 1, 2012 through December 31, 2012 (12 months)
<b>Seventh Contract Period:</b>	January 1, 2013 through December 31, 2013 (12 months)

**M/W/DBE Participation:**

**Direct:**

MBE \_\_\_\_% WBE \_\_\_\_% DBE \_\_\_\_%

**Indirect:**

MBE \_\_\_\_% WBE \_\_\_\_% DBE \_\_\_\_%

Waiver \_\_\_\_ (Yes/No)

**Section 3:**

Hiring \_\_\_\_ (#) Subcontracting \_\_\_\_ (\$) Other Economic Opportunities \_\_\_\_ (\$)

**GENERAL BACKGROUND**

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) procurement laws.

In 2005, the Chicago Housing Authority (“CHA”) issued a solicitation for the provision of a comprehensive electronic document management system under RFS 06-01449. The Chicago Housing Authority selected Clarity Partners, LLC to provide an Enterprise Document Management System (“EDMS”) using a commercial software system solution, known as FileNet. FileNet is a leading provider of business process and content management solutions.

Clarity Partners configured and implemented the FileNet system at CHA, which consisted of the business process management, a central document repository, system documentation and related training. Additionally, the implementing vendor provided configuration services for the data capture solution Quillix/MuWave and post- production support. In October 2006 IBM Corporation acquired FileNet Corporation and integrated the business process management and document management solution into IBM’s service offerings.

The CHA utilizes the EDMS / FileNet application extensively in our daily operations. EDMS supports departments such as Housing Choice Voucher, Finance, Development Management and Resident Services by providing the ability to store, maintain, retrieve and archive electronic records. To date over 7 million documents are stored in the CHA’s EDMS repository.

Prudent business practices dictate having maintenance agreements in place with the system’s developer in order to obtain preventative and remedial maintenance. Maintenance support typically consists of software upgrades, bug fixes and remote telephonic and electronic support. Having a maintenance agreement in effect decreases the risks of potentially adverse impact from a system outage by reducing restoration time and increasing system availability.

The EVP of Finance concurs with the recommendation to enter into a one (1) year extension of the Software Support Agreement with IBM for FileNet maintenance and support services, on a fixed rate basis and schedule, for compensation not to exceed, \$117,551.94 for the one year term.

The CEO/President recommends the approval to enter into a one (1) year extension of the Software Support Agreement with IBM for FileNet maintenance and support services, on a fixed rate basis and schedule, for compensation not to exceed \$117,551.94 for the one year term.

**RESOLUTION NO. 2012-CHA-100**

**WHEREAS,** the Board of Commissioners has reviewed the Board Letter dated November 14, 2012 entitled," AUTHORIZATION TO ENTER INTO A ONE (1) YEAR EXTENSION OF THE AGREEMENT WITH IBM FOR FILENET MAINTENANCE AND SUPPORT SERVICES".

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a one (1) year extension of the Software Support Agreement with IBM for FileNet maintenance and support services on a fixed rate basis and schedule for additional compensation not to exceed \$117,551.94 for the one year term.

These awards are subject to each Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

